

CHAPTER 13
COMPUTERIZED LOTTERY GAMES—GENERAL RULES

[Prior to 10/12/94, see 705—Chapters 9, 10, 12, 13, 14, 15]

705—13.1(99E) Authorization of computerized lottery games. The lottery board authorizes the sale of computerized games to be played in compliance with the criteria set forth in this chapter.

This rule is intended to implement Iowa Code sections 99E.9(3) and 99E.9(3) “b.”

705—13.2(99E) Computerized lottery definitions. For the purposes of interpreting this chapter, the following definitions are applicable unless the context requires a different meaning.

“*Central computer*” or “*central computer system*” is a computer system designated to control, monitor, and communicate with the terminals and to record the transactions processed by the terminals.

“*Drawing*” means that process which is used to randomly select a winning combination for the game plays.

“*Drawing machine*” means a computer or other device which determines the outcome of the process of selection of winning and losing tickets in a lottery.

“*Easy pick*” means the random selection by the computer terminal of a valid play for the game which was selected.

“*Electronic ticket*” or “*e-ticket*” means a lottery ticket for which an electronic visual facsimile on a computer is available from the lottery.

“*Game*” shall mean any computerized game conducted by the lottery.

“*Game ticket*” or “*ticket*” means a ticket produced by a terminal or manufacturing process which is the tangible evidence to prove participation in a game.

“*Gaming machine*” means a drawing machine that upon winning dispenses coins, currency, or a ticket, credit, or token that is redeemable for cash or a prize.

“*Lotto terminal*” means a vending machine that prints and dispenses tickets that will be determined to be winning or losing tickets either by a predetermined pool drawing machine or by a drawing machine at some time subsequent to the dispensing of the tickets.

“*Monitor vending machine*” means a vending machine that dispenses or prints and dispenses lottery tickets that have been determined to be winning or losing tickets by a predetermined pool drawing machine prior to the dispensing of the tickets.

“*On-line vending machine*” means a vending machine that prints and dispenses lottery tickets that have been determined to be winning or losing tickets by a predetermined pool drawing machine prior to the dispensing of the tickets.

“*Panel*” or “*game panel*” means that area of a play slip which contains marked squares which may be played.

“*Play*” or “*game plays*” means the selection of an appropriate number of available variables which constitutes a valid entry in the game or the purchase of a ticket with a sequentially generated variable appearing on the face of the ticket which constitutes a valid entry in a pool exhaustion game.

“*Play slip*” means a card used by the player in marking a player’s game plays.

“*Pool exhaustion game*” means a game where a predetermined pool of plays is established.

“*Predetermined pool drawing machine*” means a computer or other device external to a lotto terminal, scratch ticket vending machine, on-line vending machine, or monitor vending machine that predetermines winning and losing tickets, assigns them to preprogrammed and prepackaged sequential electronic pool files and subsequently utilizes the files in production and distribution of electronic game cards and paper game tickets produced in manufactured packs or through lotto terminals or vending machines.

“*Scratch (instant) ticket vending machine*” or “*ITVM*” means a vending machine that dispenses preprinted paper lottery tickets with a scratch-off area or electronic game cards with preprogrammed and prepackaged sequential electronic pool files that have been determined to be winning or losing tickets by a predetermined pool drawing machine prior to the dispensing of the tickets.

“*Retailer*” means the person or entity licensed by the Iowa lottery to sell game plays.

“Specific game rules” means the rules promulgated by the lottery pursuant to Iowa Code section 99E.9(3) which contains the features of a particular computerized game or promotion.

“Terminal” means a device which is authorized by the lottery to function with a central computer system for the purpose of issuing, entering, receiving, and processing lottery transactions.

“Vending machine” means a lottery ticket dispensing machine either with a mechanical operating mechanism or with computer components which perform accounting functions and activate the ticket dispensing mechanism.

“Winning numbers” means the selection of an appropriate number of the variables, randomly selected at each drawing, which shall be used to determine winning plays contained on a game ticket.

This rule is intended to implement Iowa Code sections 99E.9(3) and 99E.9(3) “b.”

705—13.3(99E) Method of play. If required by the specific game rules, a player must select an appropriate number of the available game variables. A player may select each game variable by marking a play slip and submitting the play slip to a retailer or by verbally requesting “easy pick” from a retailer. Players may also purchase game plays from player-activated terminals by use of a touch screen if player-activated terminals are available. A drawing is held in which an appropriate number of the game variables are drawn on a random basis.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) “b,” and 99E.9(3) “j.”

705—13.4(99E) Cancellation by a player. A ticket may be canceled by returning the ticket to the selling retailer provided that the ticket is returned to the retailer the same day it was purchased in time to permit canceling to be fully completed prior to the closing time for that drawing. In the event that a ticket is canceled, the player will be entitled to a refund from the retailer equal to the purchase price of the ticket.

Cancellations will not be allowed in certain games as outlined in the specific game rules.

This rule is intended to implement Iowa Code section 99E.9(3).

705—13.5(99E) Prizes and odds. The amount of prizes and the odds of winning shall be set forth in the specific game rules. Specific game rules may allow alternative prize structures.

705—13.6(99E) Payment of annuity jackpot prizes. The lottery may offer cash prizes, annuitized installment prizes, and prizes with cash or annuity payment options available to the winners. If the jackpot prize or share of the jackpot prize will be paid as an annuity, it will consist of the initial payment followed by such number of yearly installments as may be provided in the specific game rules for the game unless the cash value of the annuity prize attributable to a single play is less than \$100,000. If the cash value of the annuity prize attributable to a single play is under \$100,000, the lottery may elect to pay the cash value of the prize in one lump-sum prize payment. This rule does not apply to multistate or other multijurisdictional lottery games. Provision for payment of prizes for multistate and other multijurisdictional games shall be outlined in the specific game rules for such games.

This rule is intended to implement Iowa Code sections 99E.9(3) and 99E.9(4).

705—13.7(99E) Unclaimed prizes. Unclaimed jackpot prizes, shares of the jackpot prize, and other lotto prizes do not increase a prize simultaneously won by any other player in the game. Unclaimed jackpot shares shall be added to future jackpot prize pools at times determined by the lottery. Other unclaimed prizes shall be added to future prize pools for any lottery game. Except as may otherwise be provided in the specific game rules of a multistate lottery or other multijurisdictional lottery with which the Iowa lottery may be affiliated, this rule shall also apply to such games offered in Iowa.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(4) and 99E.19.

705—13.8(99E) Disclosure of odds. The overall probability of purchasing a winning ticket shall be stated on the game ticket and in the game literature made available by the lottery.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) “b,” and 99E.9(3) “j.”

705—13.9(99E) Price. The price of a game play shall be outlined in the specific game rules. The sale price shall include sales tax.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) “b,” and 99E.9(3) “c.”

705—13.10(99E) Changes for special promotions. The lottery may alter the price of the tickets, features, or prizes of the game or drawings to accommodate special promotions. Alterations made by the lottery shall be contained in the specific rules for the promotion.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) “b,” 99E.9(3) “c,” 99E.9(3) “d,” and 99E.9(3) “h.”

705—13.11(99E) Ticket ownership and prize entitlement.

13.11(1) Until a signature is placed on the back of a ticket in the area designated for signature, a ticket is owned by its physical possessor. When a signature is placed on the back of the ticket in the designated space, the person whose signature appears in the designated space is the owner of the ticket and is entitled to any prize attributable to the ticket.

13.11(2) Notwithstanding any name or names submitted on a claim form, the lottery shall make payment to the person whose signature appears on the back of the ticket in the designated space. If the signatures of more than one person appear in that space, the lottery shall make payment to the person identified on the winner’s claim form to receive payment, which designation shall be made by all persons whose signatures appear on the reverse side of the ticket. In the event that all persons whose signatures appear in the appropriate space cannot identify one person to whom payment should be made, the lottery may withhold payment until the proper payee is determined. In no event shall more than one person be entitled to a particular prize.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) “b,” 99E.9(3) “e,” and 99E.19.

705—13.12(99E) Ticket validation requirements.

13.12(1) All claims for prizes are subject to validation by the lottery. To be a valid ticket and eligible to receive a prize, all of the following requirements must be satisfied.

- a. The ticket must have been issued by the lottery directly or through a retailer, via a terminal, in an authorized manner.
- b. The information on the ticket must correspond precisely with the lottery’s computer record.
- c. The ticket serial number must appear in its entirety, and correspond, using a computer validation file, to the winning game play or plays printed on the ticket.
- d. A ticket shall be void unless the ticket is printed on a paper stock roll which was validly issued to and used, at the time of the play, by the retailer from whom the ticket was purchased.
- e. The ticket must not be produced in error, counterfeit in whole or in part, altered, mutilated, unreadable, tampered with in any manner, incomplete, blank or partially blank, miscut, or defective.
- f. The ticket must pass all other security criteria determined by the lottery.
- g. The ticket must not be stolen.
- h. The ticket must not be canceled.
- i. The ticket must pass additional validation requirements which may be stated in the specific game rules.

13.12(2) In the event that a ticket fails to pass all of the validation criteria set forth in this rule and the specific game rules, it is invalid and ineligible for any prize. The lottery, in its sole discretion, may choose to pay a sum equal to the prize on an invalid ticket if the lottery can determine the prize which would have been won by the ticket by use of a symbol, code number, color code, or other mechanism. The lottery’s decisions as to whether a ticket is invalid and whether a sum equal to the prize on an invalid ticket will be paid are final. If the lottery determines that a ticket is not eligible to receive a prize or a sum equivalent to the prize amount, the lottery may replace the invalid ticket with a ticket of equivalent

sale price from any current lottery game or refund the purchase price of the ticket. Replacement of the ticket or refund of the purchase price shall be the claimant's sole and exclusive remedy.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) "b," 99E.9(3) "e," 99E.9(3) "f," and 99E.19.

705—13.13(99E) Claim period. All prizes for games not associated with another state's lottery must be claimed as directed within 90 calendar days of the drawing in which the prize was won. All prizes for games associated with another state's lottery must be claimed as directed within the specific game rules. For purposes of determining the claim period, the drawing date shall not be counted. If a prize is claimed by mail, the lottery must actually receive the ticket and claim form within the claim period. Any prize not properly claimed within the specified period shall be forfeited. The claim period for a game may be altered by the lottery in the specific game rules.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) "b," and 99E.19.

705—13.14(99E) Manner of claiming prizes.

13.14(1) To receive payment for a prize or prizes on any single game ticket which total \$600 or less, the winner may take the signed ticket directly to any lottery retailer authorized to sell and validate the game, or to any lottery office, or mail the signed ticket, along with a completed claim form, to Iowa Lottery, P.O. Box 10474, Des Moines, Iowa 50306-0474.

If there is any alteration, mutilation, tear, or other ambiguity on the ticket, the retailer is not authorized to make direct payment of a prize and a claim form and the ticket must be submitted to the lottery.

13.14(2) To receive payment for a prize or prizes on any single game ticket which total more than \$600, the winner may submit the signed ticket and a completed claim form directly to any lottery office. The winner may also mail the signed ticket and claim form to Iowa Lottery, P.O. Box 10474, Des Moines, Iowa 50306-0474.

13.14(3) Claim forms are available at all computerized lottery retailers and lottery offices. The lottery or, at the lottery's direction, a lottery retailer may require the person claiming a prize of any amount to fill out a claim form.

13.14(4) If a prize is claimed by mail, the ticket and the claim form must actually be received by the lottery within the claim period.

This rule is intended to implement Iowa Code sections 99E.9(3) and 99E.19.

705—13.15(99E) Presentation of ticket. No prize payments shall be made unless the player submits a valid, uncanceled ticket. A play slip has no pecuniary or prize value and is not evidence of ticket purchase or of numbers selected.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) "b," 99E.9(3) "e," and 99E.19.

705—13.16(99E) One prize per game play. The holder of a winning ticket may win only one prize per game play in connection with the winning numbers drawn and shall be entitled only to the prize won by those numbers in the highest matching prize category.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) "b," and 99E.9(3) "d."

705—13.17(99E) Corrections. The lottery reserves the right to correct and adjust, up or down, the amount of any prize or prizes, whether all or part of the prize or prizes has been paid, if it is determined that one or more players are entitled to a portion of a prize and were not included in the prize calculations or were included in the prize calculations by mistake.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) "b," and 99E.9(3) "d."

705—13.18(99E) Risk of error. The placing of plays is done at the player's own risk. It is solely the player's responsibility to verify the accuracy of game plays and all other data printed on the ticket. In the event of any error, the player's only remedy is cancellation of the ticket according to the procedure

specified in this chapter. The lottery and lottery retailers have no other responsibility for tickets printed in error.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) “b,” and 99E.9(3) “d.”

705—13.19(99E) Multidraw plays and advance plays. Multidraw plays and advance plays may be available.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) “b,” and 99E.9(3) “j.”

705—13.20(99E) Drawings. Drawings will be held as specified in the game rules.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) “b,” and 99E.9(3) “d.”

705—13.21(99E) Cancellation or delay of play. The lottery reserves the right to cancel or delay drawings or ticket sales in the event of technical difficulties, and on days of special importance or on days the drawings would be impractical or inappropriate.

This rule is intended to implement Iowa Code section 99E.9(3).

705—13.22(99E) Pool exhaustion game—method of play.

13.22(1) Players may purchase tickets for a specific game. Each ticket sold for a pool exhaustion game will be generated separately. Tickets shall be sold against the pool until the pool of plays is exhausted or until the game ends in accordance with the specific game rules.

13.22(2) Each ticket will bear a sequentially generated variable on the face of the ticket.

13.22(3) Drawings for the prizes for a specific game shall randomly select a winner or winners from the tickets actually sold. The drawing method shall be described in the specific game rules.

13.22(4) Prizes shall be awarded in conformance with the specific game rules.

This rule is intended to implement Iowa Code sections 99E.9(3), 99E.9(3) “b,” 99E.9(3) “e,” and 99E.9(3) “g.”

705—13.23(99E) Prize insurance fund.

13.23(1) The lottery may provide that up to 10 percent of the funds designated for the jackpot prize level in the prize structure of the specific game rules for a game or that any prize funding not awarded by the conclusion of the relevant claim period for a fixed-prize game shall be transferred to a prize insurance fund.

13.23(2) The prize insurance fund may be used for any of the following purposes:

a. To pay prizes for any on-line game prize obligation if the amount available to fund an on-line game prize is insufficient;

b. To support a special promotion to retire an on-line game, e.g., a television show or a second chance drawing;

c. To transfer amounts to a successor game to pay prize obligations for a different on-line game.

This rule is intended to implement Iowa Code section 99E.9(3).

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